Capt. Y. V. Ayya.—

When there is keen demand for midwives everywhere, is it not necessary to train more candidates?

Second Member of Council.—

It will be considered.

Mr. G. Girimaji Rao.—

What is the qualification for training in midwifery?

Second Member of Council.—

I have no idea at the moment.

Mr. G. Girimaji Rao.—

Don't you think that some qualification, such as, that they must be mothers, should be fixed?

Second Member of Council.—

You may send up your views to the Senior Surgeon.

REPRESENTATIONS—(*Continued*).

The marginally noted resolution was, with the permission of the President moved as a representation in the following terms:

"This Assembly urges the abolition of the subsidy as there is no place for it in any scheme of federal constitution to come."

This Assembly begs to recommend to the Government of His Highness the Maharaja that Mysore shall not enter the All-India Federation so long as the subsidy or any portion of it is levied from her by the British Government.

MR. B. S. PUTTASWAMY began by saying that he was whole-heartedly for federation. In fact, in his opinion, the only practical and acceptable form of Government under the peculiar conditions in India is a federal type of Government and it would be suicidal if any one brought obstacles in the way of realising it. Federation implies equality of status and the idea of subsidy militates against that fundamental principle. It is a symbol of inferiority of status and unless it is removed, Mysore cannot enter the federation with the dignity of an equal partner. He pointed out that the case for its abolition is unchallengeable, irrespective of the fact

whether federation comes into existence or not. He then examined the terms of the Treaty of 1799 and argued that the subsidy was agreed to be paid as a price of protection, at a time when India was torn by internecine warfare, and when Mysore particularly was in danger of being attacked by her enemies in her neighbourhood. The object of the treaty was that the *quid pro quo* for services rendered was a temporary payment to be continued till the danger disappeared and till the Maharaja's rule was established.

Both the conditions were fulfilled long ago and it was a sheer accident of history that Mysore suffered it to be continued till now. As a matter of fact, the East India Company consolidated its position and established peace in its possessions in South India under the scheme of subsidiary treaties with the co-operation of Mysore. In 1809, in lieu of an indefinite liability to render monetary help in times of war, the Mysore Durbar was kept under the obligation to maintain 4,000 Horses to be available for war in addition to paying Rs. 24½ lakhs by way of subsidy. Subsequently, since there was peace everywhere, 3,000 Horses were disbanded. But in 1881, at the time of the Rendition, even though the need for maintaining Horses was recognised to be unnecessary, the subsidy was fixed at the full cost of 4,000 Horses and Mysore was made to pay Rs. 10½ lakhs in addition to Rs. 24½ lakhs. It will be evident that Mysore was relieved from all obligations to maintain troops under that treaty; yet, subsequent events show that she was forced to contribute troops to the Imperial Service scheme which cost her Rs. 20 lakhs per annum. It will be clear that the subsidy which was agreed to be paid by Mysore for a specific purpose, and till a prescribed period of time, was forced from her, and was made a permanent feature of her relationship with the British Government by virtue of the supremacy which the Government had established. Force, not will, has been the basis of the continuance of the subsidy. The era of militarism, the era of the soldier statesman, is past. The reason for this levy not existing, the levy also must automatically disappear.

Much less has the subsidy any place under a federation. Federation implies equality of status and equality of burden. The provinces are not paying any subsidy.

Mr. Puttaswamy, then examined the subject of Federal Finance, and pointed out the enormous sacrifices financially that Mysore would be making by entering the federation. He remarked that, by so doing, Mysore would have to share

the liability for the service of the Public Debt of India amounting to Rs. 1,173 crores much of which is not covered by assets in spite of the Percy Committee's finding to the contrary, for the Central Civil Pension charges, and also for any direct tax that might be levied on her subjects by the federal government. He briefly traced the history of the Public Debt of India, which was a legacy handed down to the country by the East India Company. The said debt was built up by the selfish policy of the British people in debiting many items of expenditure on the India revenues for which India was not liable at all. The expenses of many wars waged beyond the geographical limits of India for British interests, were charged to the revenues of India—wars in Afghanistan, Burma, expeditions to China, Persia and Nepal, etc. This policy was condemned by even many eminent English publicists and statesmen, such as Gladstone, Sir George Wingate and Mr. Bright. This unproductive debt has been increased by several other causes like financial mismanagements, and loss on account of exchange, expenses of civil and military administration of British possessions beyond India for safeguarding imperial interests, the Great War, etc. The Congress Select Committee has shown in unmistakable terms that all these debts could not be legitimately fastened on India.

The so-called covered debt of India consists, among other items, of Railways, which are a losing concern. For the last three years, as is evidenced by the Railway Budget, the revenues show a colossal deficit and there has been a raid on the railway reserves to pay the agreed quota to the general revenues. A reserve fund which was built up in 5 years has been depleted in three years. A sum of Rs. 19 crores for development of Bombay, and about Rs. 18 crores for New Delhi is spent which can in no sense be regarded as debt covered by assets. The principle adopted by the Percy Committee of relying upon the book account for the capital expenditure of these assets, and saying that, irrespective of their being able to provide for the payment of interest and sinking fund, they can be treated as debts covered by assets is wrong. The war debt itself amounts to Rs. 170 crores, and this can never be treated as covered. Further, Mysore has also contributed her quota towards the prosecution of the war. Considering all this, by entering the federation, Mysore will be assuming her share of the burden for the service of a huge amount of uncovered debt. The Central Civil Pension charges cannot be made a federal liability. The Percy

Committee admit that about Rs. 90 lakhs only is, strictly speaking, a central charge and yet they make it a federal liability on the ground that it is a small matter. They could as well have been equally generous towards the tributes, which are yet a smaller sum and which are admittedly an iniquitous and unjust levy. He urged that the entire Civil Pension charges should not be made a federal liability. The Percy Committee could have framed a budget ignoring the item of subsidy. It is a mere bagatelle compared with the vast resources of the federal government. Further, the expenditure proposed in the federal budget needs drastic cuts. We cannot carry on the administration on the present scale. The military expenditure is colossal. India spends 40 per cent of her total revenues on military expenditure while England spends only 18 per cent.

The Peel Committee has suggested that the subsidy should disappear *pari passu* with provincial contributions. There can be no connection between the two. The provincial contribution levied after the Meston Award has already been removed. After the Meston Award, it is not right to say that the share of the income-tax they are paying the Central Government can in any sense be regarded as provincial contributions. In addition to these sacrifices, Mysore by entering the federation will lose its share in customs, salt, and other indirect contributions it is making to the British Indian exchequer, to the tune of nearly Rs. 150 lakhs, a figure arrived at by the Nind Committee. If, in addition to all these, Mysore is required to pay the subsidy, it would be the last straw on the camel's back. He said that the subjects of Mysore would yield to none in their desire to contribute their share to the development and evolution of the all-India polity, to achieve a higher status of political manhood, and contribute their instructed judgment to deliberations of the councils of the federal government. They are prepared to make any legitimate sacrifice towards attaining this goal. But they feel it humiliating to enter the federation with the stigma of inferiority.

MR. P. SUBBARAMA CHETTY said that he was not prepared to discuss the question of federation as he had not the necessary papers with him bearing on the subject. It did not however appear to him that the question of Mysore entering the federation was open to any doubt or dispute. The Dewan had already made it plain in the First Round Table Conference that Mysore was ready to enter the federation and had also confirmed the same idea in the Second Conference.

The mover apprehended that Mysore would be put to heavy losses in the event of its joining the federation (Mr. Puttaswamy repudiated this statement). But in his own opinion it was too early to express oneself one way or the other definitely at this stage.

In regard to the question of subsidy, the Dewan was trying his best to get the subsidy abolished altogether even apart from the idea of federation. If the Dewan succeeded in his attempts in this direction as well as in securing a share in the customs revenue, the financial position of the State was sure to improve in future.

But, apart from the question of financial loss or gain, the main point for consideration was whether participation in a federation was good or bad in itself. He had no doubt that it was good. In fact, many Indian States agreed to join the federation after the Dewan had emphatically expressed the view of Mysore on the question. It was too late therefore for Mysore to back out at this stage. By joining the federation, the State, as a component unit, would naturally have its own independent status as in the American constitution.

MR. HOSAKOPPA KRISHNA RAO said that the question of subsidy should not be mixed up with that of entering the federation and that the latter had to be dealt with by itself on its own merits. So far as federation was concerned, there was a lurking fear in the mind of even British politicians. In the latest telegram published in *The Hindu*, it was said that federation may not be possible in India until all the Indian States agreed to join it. But, whatever the view of individual politicians, Mysore should join the federation. It was true that some States did not want a federation while they were in favour of a confederation. The Dewan, having expressed himself definitely at the Round Table Conference in favour of a federal government for India and also having influenced so many ruling princes in India to join the federation, it was too late to go back; and on the other hand, with courage in both hands, Mysore should save the situation by entering the federation first.

There were, no doubt, some implications about the rights and liabilities in entering the federation. In his opinion, there would not be so many disadvantages to Mysore. He did not think that the State would be called upon to pay towards the federal government anything more than what would be paid by other federal units. Although the income from customs was included under federal revenues, yet there

would be a fair chance of Mysore getting a portion of that revenue derived in Mysore. So far as he was concerned, he did not doubt that a federal government for India would not be an evil.

In regard to subsidy, he was of opinion that it was an anachronism and should go as soon as possible.

Everyone thought that payment of subsidy was uncalled for at the present time, whether there was federation or no federation. Subsidy was at best an unjust levy and should not be allowed to continue a day longer. The Dewan was fighting against the payment of subsidy and he might be sure that not only Mysore but the whole of India would support him in his attempts for its abolition. The Percy Committee treated the question of subsidy as a minor matter and by their recommendation they complicated the matter of its abolition to some extent. But that should not deter Mysore from agitating against the payment of subsidy. The recommendations of the Percy Committee would certainly come before the Davidson Committee who would consider the question dispassionately and Mysore might rely upon their judgment in favour of the State. In the speaker's opinion, there was nothing for despair and subsidy would go if strenuous attempts were continued to be made.

Referring to the question of federation, Mr. Hosakoppa Krishna Rao said that what was required was a strong public opinion and that it was for Mysore to take the lead in making the federation almost an accomplished fact. It might be presumed that, by joining federation, the federal units would have their own self-government. The immediate necessity therefore was to reform the existing constitutional bodies and to train the people for taking greater part in the administration of the country. To this end, he appealed to the Dewan to bestow his earnest consideration from now.

MR. HEATHCOTE spoke as follows:—

Sir, this representation is a very important one. I do not intend to take up the time of this House in arguing about the rights or wrongs of the federation. I am sure we all hope that there will be a strong federal government and in order that there may be a strong federal government, it must have ample funds to carry on the Government well. But it must not charge the people of Mysore twice over and that is what it is doing now. I am sure that Mysore Government do not wish to repudiate any payments that are justly due from them to anybody. This subsidy may have been

placed on a fair basis 100 years ago or even 30 or 40 years ago. Since then, the Government of India have raised by taxes and other means for the expenses of the Central Government large sums of money towards which the people of this State also have paid their share and therefore we should fight for the abolition of the subsidy. If we pass this proposition that this subsidy should be removed at the earliest possible moment,—and I hope it will be passed—it is simply a question of justice and fairplay.

MR. NEWCOME, in supporting the representation, spoke as follows:—

Sir, I have much pleasure, on behalf of the Planters' community, in supporting the representation before the House. Most of us have long felt that the subsidy is unfair, inconsistent with the dignity of the State and bearing heavily on her finances. In amount, it is grossly disproportionate to that contributed by any other Indian State. Whatever justification may have existed in the past, that justification has now entirely disappeared. It is true that other parts of the Empire contribute in the form of ships or troops to its needs. So does Mysore. The part played by the Mysore Troops in the Great War—in Palestine and other places—can never be forgotten. It is certain that, should the Empire be again in peril, Mysore will once more be in the forefront with her voluntary contributions in the shape of money and men. On principle then, the subsidy should be entirely abolished.

The financial considerations are also important. It is a question whether Mysore could not fairly demand a return of a portion of the subsidy already paid by her. But that, I am afraid, is not a question of practical politics. But a sum of Rs. 24½ lakhs annually would help to solve many important and urgent problems of moral and material development.

For these reasons, I beg to support the representation.

MR. D. S. MALLAPPA said that, so far as the question of federation was concerned, there was no difference of opinion in regard to Mysore joining it. It was regrettable however that some Indian States had laid down certain unnecessary conditions for their entry into the federation. However, it was praiseworthy that Mysore did not take part in it. On the other hand, Mysore had led the way to the princes for joining the federation and was trying its best to influence the other States also to follow suit. The idea of federation had been suggested by the people of Mysore also before the First Round Table Conference and it was gratifying

to see that Mysore accepted it. But he was particular that before the federal idea became an accomplished fact, necessary arrangements should be made to safeguard the rights of the people of the federating States. He also pressed the view that necessary reforms in the administration of Mysore should be undertaken so that, before the federal government was decided upon, the people of Mysore could be trained for taking part in the affairs of Government.

There were no two opinions on the question that the subsidy which the Mysore Government was paying was unjust. In addition to this large subsidy, the State was paying to the British Government crores of rupees on account of posts and telegraphs and customs. The Dewan cannot but be sufficiently thanked for his labours at the Round Table Conference in bringing the question of subsidy to the forefront. He may be quite assured that, in this attempt of his, the whole country was behind him. What was now required was that further attempts should unflinchingly be made in that direction.

MR. BELUR SRINIVASA IYENGAR said that, in the fight for the abolition of the subsidy, Mysore had the support of India as a whole and success was sure to attend in her efforts in that direction. As regards the federation idea, he had no doubt that the advantages to be gained by Mysore entering the federation were great. In the meanwhile, he also wanted that larger powers should be conceded to the subjects of the State providing for non-official Members of Council just as there were ministers in British Indian provinces recruited from among the non-officials. If this was done and Mysore was enabled to sit on the federal councils, they would be in a position to make the best use of their position in the interests of India as a whole.

MR. H. C. DASAPPA said that there was no difference of opinion between the views expressed by Mr. Puttaswamy and the later speakers, as everybody was anxious for the federation. Mr. Puttaswamy himself made it clear that it was not his object to oppose Mysore entering the federation. But the point to be considered was whether there was any place for the subsidy in the all-India federation. The speaker would ask whether there was any member who would say that subsidy might continue with federation. He for one would most emphatically say that it had no place. And he would go even further and say that, whether federation or no federation, it should be abolished on principles of justice, equity and self-respect of the State.

The mover spoke of the origin of the subsidy. Whatever may have been the justification for this levy years back, that justification ceased to exist now. The avowed ground on which it was levied was that the State should pay for the protection it received from the Government of India. It would be seen that at the time of the levy, the Government of India was not getting any other contribution from Mysore either directly or indirectly. But since then the Government of India had levied various duties on salt, opium and on imports, etc. Mysore was also contributing, in the shape of postal and coinage revenue, its own quota. It would thus be seen that Mysore was paying several lakhs to the British Government in the form of indirect taxes in addition to the subsidy. If subsidy should exist along with these indirect taxes, it would mean a double levy and this would be a great injustice on Mysore.

Again, no less a person than Lord Irwin, the ex-Viceroy of India, spoke so highly and eloquently on the good and sound administration of Mysore. In fact that was one of the reasons, among others, for his remitting a portion of the subsidy. And that reason continued to exist today. If that was good enough for partial remission, surely it was good enough for a complete remission. If the financial position of Mysore was taken into consideration, it seemed to him that nothing could be more inequitable than this levy. The State was already maintaining an army and was also paying heavily for it. Further, the State was passing through heavy deficit years. The levy at such a time was highly inequitable.

Then, there was the question of honour and self-respect of the State. In the scheme of federation there was no room for unequal status as between the federating units. There was no denying that payment of subsidy was a stamp of inferiority, the retention of which badge was totally inconsistent with the position of Mysore as a federating unit. Considered from this point of view, the question became not only a matter of justice and equity but what was more insufferable, namely, one of honour. It was only the removal of this feudal contribution that could enable Mysore to join the federation with honour. He was sure that no British Indian province would insist upon this galling imposition on a sister State with which it has to federate.

The only argument on which the payment of the subsidy could be supported was that the federal government would be in need of funds. If that was so, Mysore was prepared

to bear its share. And if more was required than what it was contributing now, the federal government might as well levy that in a manner which would not make an invidious distinction between the federating units. Mysore was prepared to pay that in a different form, in the shape of a federal tax, even to the extent of the amount of subsidy, if need be, but not in the shape of a tribute or subsidy.

For the above reasons, he said that he had the greatest pleasure in supporting the representation before the House.

MR. K. T. BHASHYAM IYENGAR requested the Dewan to close the discussion on the subject as everyone in the House was in favour of the proposition.

MESSRS. CAPT. Y. V. AYYA, GURUSWAMIAH, GOPALACHAR and many others agreed with the views of the previous speakers and requested the Dewan to fight out very strongly for the abolition of the subsidy and said that the whole country would be entirely with him in his attempts.

The proposition was *carried* unanimously.

RESOLUTIONS ON THE BUDGET—(*Concluded*).

Resolution No. 6.

"This Assembly recommends to Government that Local, Educational and Railway Cesses be arranged to be collected from all the officers and officials."

MR. BAGAMANE DEVA GOWDA, in moving the above resolution, observed that although the raiyats paid education, railway, irrigation and other cesses, they derived no tangible benefit in the form of either education or railway communication or even in the form of any amenity which the people living in cities and towns enjoyed without paying similar cesses. Specially officers and officials who had incomes contributed very little in return for the benefit they derived.

THE DEWAN replied that there were among the officials many who paid these cesses on the assessment they were paying on the lands held by them.

MR. BAGAMANE DEVA GOWDA pointed out that such men were only few in number and further they had also other means of livelihood unlike the raiyats who depended only on cultivation for maintenance. He therefore requested Government to levy a cess on Government officers and officials as prayed for in the resolution. He added that, by so doing, the Government stood to get more income for expenditure on necessary amenities to raiyats.